

AEC

THE
PHILIPPINE
GAME
PLAN



THE 4C STRATEGY: GROWING GLOBAL MSMEs

PUBLISHED BY



WITH THE SUPPORT OF



TRADE | Trade-Related
Assistance for
Development


AEC

THE
PHILIPPINE
GAME
PLAN



01 May 2015, 1st Edition

PUBLISHER'S NOTE



The ASEAN Economic Community is the fulfillment of a decades old vision for the establishment of a prosperous and peaceful community of Southeast Asian nations. Formally establishing the ASEAN Economic Community is only the beginning; there will be more of evolutionary, rather than revolutionary, changes. And the task ahead is to transform AEC into a major player in the global economy - and where we, as Filipinos and members of a larger community, contribute to realize this aspiration.

Our shared vision is that of a thriving, dynamic and vibrant Philippines that complements the efforts of our fellow-member states, collaborates with their business communities in building ASEAN's production capabilities, and cooperates with each other in building the region's competitiveness.

The DTL, as Chair of CAEC, has accelerated initiatives to increase awareness and proper understanding of the AEC, deepen discussions with stakeholders and among agencies to align our trade and economic interests in ASEAN, as well as with the rest of the Asia Pacific region, and mobilize support for Philippine participation in the AEC. One of the many initiatives in defining Philippine participation as a member of a larger community is through gaining a deeper understanding of who we are and charting our course as a nation. Imperative as well is sustaining the process to establish our broad visions and overall strategies as a fully-functioning and integral part of the ASEAN Economic Community.

As the Philippines gears up to maximize the benefits of the ASEAN Economic Community (AEC), government continues to undertake interventions to improve the country's productivity and competitiveness, i.e. creating a competitive environment, improving market access, undertaking regulatory reforms, facilitating trade and investment, enhancing transparency and reducing the cost of doing business.

Recognizing the central role of Micro, Small, and Medium enterprises (MSMEs) as significant contributors to economic growth, trade, employment, and innovation, government's measures are focused on advancing the MSME agenda. Working in strong partnership with the private sector, government provides assistance through

various programs for the MSMEs to flourish, compete and excel in both local and foreign markets. The end game has always been to strengthen local businesses, make them more competitive and sustainable, and ensure that the Philippines comes out ahead.

Efforts to improve the competitiveness of our industries, however, should be strengthened as the other ASEAN member states continue to improve theirs. Overall, the Philippines is in an excellent position to benefit from the establishment of the AEC. This is largely through the 4C strategy in implementing the Philippine AEC Game Plan - an unequivocal commitment to enhance competitiveness, strengthen collaboration, ensure compliance and intensify communication.

The Philippine AEC Game Plan offers relevant information on key government initiatives for MSMEs in the country, enhance knowledge on government programs designed to improve the competitiveness of Philippine industries and facilitate their participation in AEC. This maiden issue is intended to provide guidance and support to assist industries in addressing the challenges and opportunities of the AEC.

Parallel to understanding how each piece moves in a game of chess, Filipinos, particularly MSMEs, will require a strategy to fair well and succeed in the global market. This Game Plan will guide industries towards the appropriate government program to help them make the right moves and master the game.

This first edition of the Philippine AEC Game Plan is part of a series of information materials on the AEC. It is published by the Department of Trade and Industry with the support of USAID Trade Related Assistance for Development (TRADE) Project. Succeeding editions will contain more information regarding existing and upcoming government programs for MSMEs.

On the cover:

The Knight:

Versatile, adaptable, flexible and dynamic, the Knight is the most special and powerful piece among all chess pieces. The Knight is the only piece on the board that leaps and jumps over other pieces making it the most potent piece in closed positions.



1

AEC and the 4C Strategy



INTRODUCTION

As the Association of Southeast Asian Nations (ASEAN) builds a stronger ASEAN Economic Community (AEC), the Philippines continues to advance the country's preparedness for regional economic integration.

AEC embodies ASEAN's goal to establish a stable, prosperous, and competitive regional economy – one that benefits its citizens and allows them to enjoy better lives. It seeks to establish a region where goods and services are freely traded; where investments are welcomed and encouraged; and where professionals and skilled workers are able to cross borders and practice their profession with greater ease.

AEC is an opportunity to access a market with over 600 million people, presenting a wider platform for the Philippines to broaden its trade and investment network. While challenges abound during the integration process, stakeholders agree that the Philippines can best benefit from the AEC by staying competitive and relevant to target markets here and abroad.



THE 4C STRATEGY

Consistent with the government's efforts to maximize the full benefits of regional economic integration, the Committee for ASEAN Economic Community (CAEC) was established in September 2011. The Committee facilitates inter-agency coordination in the development and implementation of policies and programs related to the country's trade and economic agreements under ASEAN. The CAEC is chaired by the Department of Trade and Industry (DTI) and has 15 government agencies as members¹. See Annex for the list of CAEC members.

The CAEC adopts and implements the 4C Strategy as its overall plan of action for AEC. The 4C Strategy stands for Competitiveness, Compliance, Collaboration, and Communication.

COMPETITIVENESS

*ACHIEVING MORE THROUGH QUALITY,
PRODUCTIVITY, AND INNOVATION*

COMPLIANCE

*MEETING AEC OBLIGATIONS TO KEEP
AEC PROCESS ON-TRACK*

COLLABORATION

*WORKING TOGETHER
FOR SYNERGY AND BETTER RESULTS*

COMMUNICATION

*ENGAGING TARGET AUDIENCE
FOR AWARENESS AND PARTICIPATION*

¹ According to the Administrative Order 20 that created CAEC, other government departments or agencies may be invited to become members of the Committee (Sec.10a).



1. ENHANCING COMPETITIVENESS

The goal is to improve the business environment and support the private sector in advancing Philippine industries. Improving quality, enhancing productivity and cultivating innovation will enable the country to actively participate and gain from AEC.

2. ENSURING COMPLIANCE

The government endeavors to fulfill the country's commitments and obligations to ASEAN and, in parallel, ensures that the Member States comply as well. Fulfilling commitments under the AEC Blueprint will help the country maximize AEC opportunities.

3. STRENGTHENING COLLABORATION

Synergized and targeted interventions require sustained collective engagement of all stakeholders. Government agencies, business organizations, civil society, the academe, and media work together towards a shared objective across, and at different levels of collaboration: regional, national, and local.

4. INTENSIFYING COMMUNICATION

Effective communication is essential in achieving government's objectives of

- creating awareness and proper understanding of the AEC, its challenges and benefits;
- engaging, mobilizing, and motivating stakeholders to be part of the AEC building process; and,
- encouraging and inspiring Filipinos to provide their inputs into the shaping of AEC initiatives that would lead to meaningful outcomes for the country.



ACTION AGENDA AT VARIOUS LEVELS

The 4C Strategy is operationalized at the regional, national and industry levels. Stakeholders as well as individual enterprises are engaged and encouraged to take positive action.

COMPETITIVENESS
ASEAN-level Initiatives

COMPLIANCE
Monitoring
of ASEAN Member States

COLLABORATION
Bilateral and regional agreements
and arrangements

COMMUNICATION
among ASEAN and between
ASEAN Member States

COMPETITIVENESS
National government interventions
to enhance competitiveness

COMPLIANCE
Regulatory reforms and improvement
of existing policies and laws

COLLABORATION
Coordination among National and Local governments,
the Executive, Legislative and Judicial Branches
of Government to ensure complementing
initiatives are efficiently executed

COMMUNICATION
Meaningful dialogue, consultations and discussions
between the public and private sectors
are encouraged and sustained

REGIONAL

NATIONAL

INDUSTRY

ENTERPRISE

COMPETITIVENESS
Supporting enterprises
to enhance their competitiveness

COMPLIANCE
Compliance with implemented policies

COLLABORATION
Inter-department, inter-committee,
or inter-branch collaboration within individual
companies

COMMUNICATION
Corporate and brand communications

COMPETITIVENESS
Industry Development Program (IDP)

COMPLIANCE
Monitoring of progress of compliance
and inputs during agreement reviews

COLLABORATION
Partnerships and alliances among industry
players, organizations and stakeholders

COMMUNICATION
Information sharing among industries
and information cascading within
industries



2

The Competitiveness Imperative



The Philippines' competitiveness initiatives are aligned with the country's overall development goals outlined in the Philippine Development Plan, the Philippine Export Development Plan, and the SME Development Plan, among others. These activities are supported by policies and laws that enable action at various levels: national, industry, and enterprise.



ENTERPRISE LEVEL COMPETITIVENESS

Helping Philippine enterprises achieve increased competitiveness involves interventions that address barriers to business growth, namely: lack of capital and access to technology, limited market and network, and skills and capability deficiencies.

Since Micro, Small and Medium Enterprises (MSMEs) play a vital role in fueling national growth, most of the programs implemented focus on globalizing MSMEs. MSMEs account for more than 99% of registered businesses in the Philippines and sixty percent (60%) of the country's exporting firms. MSMEs also employ over 60% of the country's total workforce.

The succeeding chapter focuses solely on government initiatives for MSMEs.



INDUSTRY LEVEL COMPETITIVENESS

The **MANUFACTURING RESURGENCE PROGRAM (MRP)** aims to increase the share of manufacturing to 30% of GDP and contribute 15% of total employment by 2025. The **Industry Roadmap Project (IRP)** on the other hand, involved the crafting of sectoral roadmaps that will cover industry visions, goals and targets. Both the MRP and IRP are under the Industry Development Program led by the DTI-BOI.

The **PHILIPPINE INDUSTRIAL ENERGY EFFICIENCY PROJECT (PIEEP)** demonstrates an energy efficient process through energy efficiency systems optimization and the establishment of an Energy Management Standard for the industrial sector.

NATIONAL LEVEL COMPETITIVENESS

The government pursues initiatives to streamline business procedures, improve logistics and connectivity, develop Filipino talent or human resources, and strengthen international trade and investment. Examples of these are:

PHILIPPINE BUSINESS REGISTRY (PBR).

A web-based registration system that integrates the services of government agencies involved in the registration and licensing of new enterprises.

PHILIPPINE TARIFF FINDER.

An online tool that allows users to access information on tariff rates and schedules of specific products.

Construction of new infrastructure projects particularly those under the **PUBLIC-PRIVATE PARTNERSHIP (PPP)** program.

TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET)

is implemented through accredited schools, regional and provincial training centers, community-based training, and apprenticeships or on-the-job learning through different enterprises.

NEGOTIATIONS for the ASEAN Trade in Services Agreement (ATISA) and the Regional Comprehensive Economic Partnership (RCEP) Agreement involving ASEAN and its 6 dialogue partners – Australia, China, India, Japan, Korea, and New Zealand.



POLICY AND LEGISLATIVE INTERVENTIONS

The executive and legislative branches have passed laws and policies geared towards developing Filipino human resources and making businesses and industries more competitive.

The **ENHANCED BASIC EDUCATION ACT**, also known as the K to 12 Program, strengthens the basic education curriculum and increases the number of years for basic education to include kindergarten, 6 years of elementary, and 6 years of secondary school. Other laws include, among others, the **Ladderized Education Act** which establishes equivalency pathways to help students transition from technical and vocational education training (TVET) to higher education and the **Fast-Track S&T Scholarship Act** which expands the coverage of the government's science and technology scholarship program.

Laws that seek to make enterprises and Filipino products more competitive include the **Go Negosyo Act**, which calls for the establishment of a "Negosyo Center" in all provinces, cities, and municipalities to promote ease of doing business and assist MSMEs. The **Philippine Design Competitiveness Act** was also signed establishing the Design Advisory Council and providing for policies and measures to improve the quality and branding of Filipino products and services towards global standards. To help rural banks become more financially stable, the **Rural Bank Act** was amended allowing the infusion of as much as 60 percent foreign stake in a rural bank's voting stocks.

For agriculture development, Congress passed the **AGRICULTURAL AND FISHERIES MECHANIZATION ACT** which seeks to enhance productivity by supporting the manufacturing and the adoption of modern, cost-effective, and environmentally-safe machines and equipment. Another law is the **Food Safety Act** which upgrades the capability of farmers, fisher folks, and the government to help ensure food safety for products traded locally and abroad.

EXECUTIVE ORDER 29² aggressively pursues the liberalization of the aviation industry by enticing the entry of more foreign aviation players to the Philippines and strengthening the country's domestic carriers. Meanwhile, **Executive Order 67**³, which promotes connectivity, establishes the integrated transport terminals in the north and south of Metro Manila.

² Authorizing the Civil Aeronautics Board and The Philippine Air Panels to pursue more aggressively the International Civil Aviation Liberalization Policy providing for the establishment of the Integrated Transport System.

³ Providing For The Establishment of the Integrated Transport System.



3

Government Programs for the AEC Gameplan



ENTERPRISE COMPETITIVENESS AT VARIOUS BUSINESS STAGES

INCEPTION AND FORMATION

SME ROVING ACADEMY (SMERA) – a nationwide learning program for entrepreneurs comprised of a series of trainings in business registration and licensing, financing, marketing, and productivity. Newly formed MSMEs can consult the Academy about starting and managing businesses, taxation, product trends, target markets, etc. Interested participants may contact the DTI-BSMED office or see <http://www.dti.gov.ph/dti/index.php/msme/sme-roving-academy>.

BUSINESS RESOURCE AND INNOVATION CENTER (BRICS) – a business incubation program and a one stop shop for entrepreneurial support for start-up or early stage companies. Among the services that can be availed through BRICS are business number registration, product development, market promotion, investment facilitation, technology transfer, and business counseling. The program has been piloted in 4 cities: Cagayan De Oro, Quezon City, Batangas, and Iloilo City. Contact DTI Regional Offices in the pilot cities or go to <http://www.dti.gov.ph/dti/index.php/msme/brics/brics-services> for more information.

CREDIT SURETY FUND (CSF) PROGRAM – helps increase the credit worthiness of MSMEs that often experience difficulties in obtaining loans from banks due to lack of credit record, credit knowledge, or acceptable collaterals. A CSF, which can be created by pooling contributions from cooperatives, NGOs, LGUs, and partner institutions, serves as security for bank loans of MSMEs. Check the FAQ on CSF under the Publication section of www.bsp.gov.ph for more information.

SME UNIFIED LENDING OPPORTUNITIES FOR NATIONAL GROWTH (SULONG) PROGRAM – provides MSMEs greater access to short and long term funds either for export financing, temporary working capital, purchase of equipment or lot, or construction of buildings.



Qualified borrowers can apply and avail themselves of the loans from accredited banks of government-financial institutions. For details, contact the Landbank main office or any Social Security System (SSS) branch.

MOVABLE COLLATERAL REGISTRY – a system that will encourage financial institutions to accept non-real property assets as security for lending to MSMEs. Samples of movable collaterals are inventory, equipment, sales contracts, etc. This system is expected to be operational by end of 2015.

VENTURE FINANCING PROGRAM (VFP) – provides funding support to start-up and technology-based projects to help accelerate the commercialization of emerging technologies or inventions. The DOST-Technology Application and Promotion Institute (TAPI) implements the project. Contact TAPI at 837-6188 or 837-2071 to 82 ext. 2151 for more information.

GROWTH

SHARED SERVICE FACILITIES (SSF) – provides MSMEs access to better technology and more sophisticated equipment through common service facilities or production centers. SSF lends MSMEs equipment that will boost their productivity and improve their efficiency. The DTI launches and runs SSF across the country through its regional offices. Contact your DTI-Regional Office for more information.

SMALL ENTERPRISE TECHNOLOGY PROGRAM (SET-UP) – helps upgrading MSMEs improve operations and enhance productivity via technological innovation. The Department of Science and Technology (DOST) assists and advises entrepreneurs on product quality, packaging, operational costs, waste management, and other activities related to operations. Go to <http://webgis.dost.gov.ph/> for more information or contact (02) 837.7531.

SCIENCE AND TECHNOLOGY EXPERTS PROGRAM (STEVPP) – makes technology available and accessible to the countryside through volunteer scientists who extend free technical assistance to NGOs, cooperatives, and other interested parties in the provinces. For queries, reach out to DOST Regional Offices.



INDUSTRY SKILLS GRANT SCHEME (ISGS) - provides grants for training programs that focus on upgrading the skills and competency of the tourism industry workforce, particularly those in the front-line positions. Go to www.pictourism.ph for more information.

ENERGY ADVISORY SERVICES – the Department of Energy (DOE) provides energy audits and advisory services to manufacturing plants, commercial buildings, and other energy-intensive companies. DOE engineers evaluate energy utilization efficiencies of equipment, processes and operations of companies, and recommends energy efficiency and conservation methods.

EDUCATION PROGRAM OR COURSE ACCREDITATION

– the Commission on Higher Education (CHED) provides support to higher educational institutions (HEIs) and professional organizations that wish to secure international accreditation for certain courses or programs offered in the Philippines such as engineering, maritime education, and information technology. Contact CHED International Affairs Staff for more information.

SKILLS TRAINING PROGRAMS – many government agencies offer training for MSMEs. DTI trains MSMEs to ensure their overall business readiness, management, and productivity while the Philippine Trade Training Center offers specific courses on ISO certification, food-related programs, web-based/ computer literacy, business language, among others. TESDA offers skill-specific and community-based specialty trainings.



BOHOL'S FABLAB: BRINGING TOGETHER STAKEHOLDERS FOR MORE COMPETITIVE MSMEs

In May 2014, Bohol proudly launched the Philippines' first Fabrication Laboratory (FabLab), a technology-based incubator facility capable of creating scale models of all types of designs and producing prototypes of products including home decors, souvenirs, fashion accessories, equipment and machinery, electronic gadgets, and even housing parts.

The FabLab provides MSMEs access to state-of-the-art technology such as laser cutting; high-resolution milling; 3D wood cutting and carving; 3D printing, scanning, and projecting; computer-operated sewing and embroidery; testing equipment and prototyping. It also allows designers in Bohol to collaborate with FabLabs in other countries through its video conferencing facilities.

The Bohol FabLab is a PhP 9.15 million Shared Service Facilities (SSF) funded and implemented by the Department of Trade and Industry (DTI), Japan International Cooperation Agency (JICA), Bohol Island State University (BISU), and the Department of Science and Technology (DOST).

EVERYTHING STARTS FROM A GREAT IDEA

The idea of having a FabLab came from a Japanese volunteer from JICA who had personally seen its positive impact on product design and development. The DTI, BISU, JICA, and DOST realized the project's advantages and bought into the idea.



The DTI funded three of the FabLab's equipment while five other equipment were purchased through funds from DOST and JICA. BISU is housing the facility and assigned full time personnel to manage it. Now that the facility is running, DOST continues to assist MSMEs through product development or design, JICA connects designers to the global FabLab network, while DTI and BISU provide free design services and other assistance as needed.

BETTER DESIGNS, ENHANCED COMPETITIVENESS

Prior to having a FabLab, the DTI noticed that despite several trainings on product designs and packaging, MSMEs still found it hard to apply their learning and execute design ideas into actual products. Today, through the FabLab, MSMEs are able to translate designs ideas into physical forms with exact measurements, look, and shapes.

The FabLab allows entrepreneurs to experiment with different designs; produce and showcase high-quality and high-value products to potential clients; produce prototypes for market testing; and, for illustration to workers prior to commercial production.

Only six months after its launch, FabLab has already assisted 25 MSMEs, cooperatives, and organizations in prototype development and design. Products produced by these MSMEs are supplied to exporters and institutional clients.



EXPANSION AND GLOBALIZATION

DOING BUSINESS IN FREE TRADE AREAS (DBFTA) –

an information session on the country's current free trade agreements, enabling participants to learn more about overseas market opportunities, tariff reductions, rules of origin, and customs procedures, among others. The DBFTA is conducted nationwide for free. For the DBFTA schedule, entrepreneurs may contact the DTI-Export Marketing Bureau (EMB) or check <http://www.emb.dti.gov.ph/dbfta/dbfta.htm>.

REGIONAL INTERACTIVE PLATFORM FOR EXPORTERS

(RIPPLES) – an advanced program on export readiness, export market entry, export sustainability, and export expansion. Entrepreneurs who have completed the SME Roving Academy program are eligible to join. This program runs alongside the DTI – Regional Operations Development Groups' Export Pathways Program (EPP). Contact the DTI-Export Marketing Bureau for more information.

EXPORT PATHWAYS PROGRAM (EPP) – provides exporters with client-focused interventions at all business stages. This program started in Region XI and has since been replicated in all regions given its success in helping exporters. Contact DTI-Export Marketing Bureau for more information.

TRADE FAIRS AND EXHIBITS – government assists MSMEs who wish to participate in international trade fairs and exhibitions. The DOT, for example, negotiates for shared booth spaces in the annual 2-day TRAVEX event to lessen expenses and facilitate participation of travel agencies and smaller players. TRAVEX is a platform for suppliers of ASEAN tourism products and services to network and do business with one another.

The government also sets up and organizes its own trade fairs such as Manila FAME, the country's premier trade platform for exports and design. Manila FAME helps MSMEs showcase their products in the world market and assists them in networking with potential local and foreign buyers. Manila FAME is the longest running trade show and is organized by the Center for International Trade Expositions and Missions (CITEM).



PROGRAMS IN FOCUS

DOING BUSINESS IN FREE TRADE AREAS (DBFTA)

The DBFTA is a series of information sessions on the Philippines' existing free trade agreements (FTA) and preferential arrangements. Each session covers topics such as opportunities in ASEAN and ASEAN+6 markets, tariff reductions and rates, rules of origin, and customs procedures.

These DBFTA sessions aim to help MSMEs learn more about their options when exporting and importing through the country's existing free trade agreements. Some sessions also engage international business communities, showcasing the Philippines as a viable investment destination.

Participants range from students, entrepreneurs, exporters, large companies, industry associations, business communities, and government. The DTI, as the lead organizer of the DBFTA, partners with other national government agencies, local government units, business organizations, academe, and other organized groups.

AEC-RELATED CONCERNS

The DBFTA started in 2010 and has since traveled to various cities and municipalities across the country reaching an audience of thousands.

Session topics include engagements with ASEAN and, through ASEAN, with Japan, Korea, and Australia and New Zealand. In partnership with the Department of Tourism, and with the Professional Regulations Commission, the DBFTA rolled out sessions on how the AEC would impact the tourism sector and Filipino professionals.

REACHING OUT TO STAKEHOLDERS IN 2014

In 2014 alone, DBFTA completed 195 information sessions nationwide, reaching almost 26,000 participants from various industries and sectors. Each session lasted for at least half day. Parties interested to participate in DBFTA sessions may coordinate with the DTI Export Marketing Bureau.



SMALL ENTERPRISE TECHNOLOGY UPGRADING PROGRAM (SET-UP)

SET-UP was established to help MSMEs boost their competitiveness through technological innovations which can be in the following forms:

- Procurement of new equipment
- Provision of technical services
- Skills training
- Product development

The interventions provided by SET-UP upgrade the MSMEs' processes and methodologies, enhancing product quality, upgrading manpower, reducing costs, managing wastes effectively, and improving operations. SET-UP has six (6) priority sectors: food processing; furniture; gifts, décor, and handicrafts; marine and aquatic resources; horticulture; and, metals and engineering.

Value of Assistance

Qualified MSMEs can avail of up to PhP2 million worth of technological interventions at the regional level. Applications for assistance worth more than PhP2 million will have to be approved at the DOST-Head Office.

Also, MSMEs must start refunding the cost of DOST's technology intervention six months after the technology is turned-over. This time frame is designed to allow MSMEs to profit from the technology before they start payment. The refund period is usually 36 months.

HOW TO APPLY FOR SET-UP ASSISTANCE

To qualify, MSMEs must be based in the Philippines, wholly owned by Filipinos, and must be classified under any of the SET-UP priority sectors. Application steps are as follows:

MSME sends a letter of interest, comprehensive proposal, together with all requirements to the DOST Regional Director's Office where the company is based.

DOST Regional Office identifies the MSME's current problems, required improvements, and potential technological intervention/s.

If found viable, the DOST Regional Office endorses the proposal for evaluation and final approval.



WELDING VICTORY THROUGH TECHNOLOGY: A DOST SET-UP SUCCESS STORY

Mr. Jaime Ulip is a simple farmer who has a knack for designing and fabricating machines. He and his wife started their welding shop business in 1989 at their 42-square meter house extension in Oriental Mindoro.

Through trial and error, Mr. Ulip was able to design his own farm tools and equipment such as threshers, animal-drawn plows and harrows, carts, and hand tractors. His ingenuity and skills became well-known in the community. Farmers and other customers continue to be satisfied with his products, which have increased the efficiency of their harvesting operations faster and more efficient.

HELP FROM SET-UP

In 2003, Ulip Welding Shop became the first approved SET-UP client of DOST-Region IV-A or MIMAROPA. SET-UP, which stands for Small Enterprise Technology Upgrading Program, encourages and assists MSMEs to adopt technological innovations to improve

operations. The ultimate goal is to boost MSMEs' productivity and competitiveness.

Ulip received PhP 324,000 for the acquisition of sheet and pipe benders. These metal forming and cutting technologies reduced the welding shop's 12-day fabrication of thresher-winnowers to only eight (8) days. Ulip also adopted biogas technologies, which helped them save 372 LPG tanks worth of fuel to date.

Six years later, and inspired by his successes, Ulip sought again SET-UP's support and received PhP 400,000 worth of technological assistance. This enabled his welding shop to purchase an MIG welding machine, spot welding machine, drill press, cut-off wheel, and other production equipment.

The intervention led to a significant increase in the shop's annual production. From 30 units of threshers, Ulip is now able to produce 58 units. The welding shop's annual yield for hand tractors also increased from two to 10 units.



INDUSTRY SKILLS GRANT SCHEME (ISGS)

The ISGS provides grants for training programs that focus on the skills and competency of the tourism industry workforce. It benefits both front-line staff and middle management, and runs for up to nine (9) months. ISGS is piloted in four (4) provinces: Bohol, Cebu, Davao, and Palawan.

The program is expected to increase employment, raise service standards, and improve the competitiveness of the country's tourism sector.

ISGS is one of the flagship projects of the Philippines Improving Competitiveness in Tourism (PICTourism), a technical assistance project for the Department of Tourism (DOT), administered by the Asian Development Bank (ADB) and funded by the Government of Canada.

In 2014, a total of USD 850,000.00 (approximately PhP38,250,000.00 - assuming PhP45.00=USD 1.00) was awarded to 26 successful applicants, benefitting 4,200 employees.

WHO CAN APPLY AND HOW TO APPLY FOR GRANTS?

Tourism enterprises, civil society organizations (CSOs), and NGOs directly involved in tourism activities are eligible. Grants for the training range from USD 10,000 to USD 100,000.

Application procedures are as follows:

- Registration of interested applicants
- Eligibility verification
- Invitation from the organizer to submit a full application
- Development and submission of full application



ANNEX



DIRECTORY OF THE MEMBERS OF THE COMMITTEE FOR ASEAN ECONOMIC COMMUNITY

(as of January 2015)

DEPARTMENT OF TRADE AND INDUSTRY

(Chairperson)
3F DTI International Bldg.,
375 Sen. Gil J. Puyat Ave., Makati City
www.dti.gov.ph

Undersecretary Adrian S. Cristobal Jr.
Industry Development Group
(632) 465.3300; 890.4891
AdrianCristobal@dti.gov.ph

NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

12 St., Josemaria Escriva Drive, Ortigas City
Pasig City
www.neda.gov.ph

Deputy Director General Emmanuel Esguerra
Policy and Planning
(632) 631.0945 to 56; 631.3734 loc. 508
efesguerra@neda.gov.ph

DEPARTMENT OF FOREIGN AFFAIRS

DFA Bldg., 2330 Roxas Boulevard, Pasay City
www.dfa.gov.ph

Assistant Secretary Luis T. Cruz
Office of ASEAN Affairs
(632) 834.7127
aseanph.div3@gmail.com

Assistant Secretary Irene Susan Natividad
Office of Legal Affairs
(632) 834.3836

DEPARTMENT OF FINANCE

DOF Bldg., Roxas Blvd. cor. Pablo Ocampo St.,
Manila
www.dof.gov.ph

Roberto B. Tan
OIC-Head, International Finance Group
(632) 523.9911 to 14

DEPARTMENT OF AGRICULTURE

Elliptical Road, Diliman, Quezon City
www.da.gov.ph

Assistant Secretary Romeo S. Recide
Policy and Planning
(632) 928.8762 to 65
rsrecide@gmail.com

DEPARTMENT OF TOURISM

DOT Bldg., 351 Sen. Gil Puyat Ave. Extension,
Makati City
www.tourism.gov.ph
www.itsmorefuninthephilippines.com

Assistant Secretary Rolando Canizal
Tourism Development Planning
(632) 870.0544
Email: rcanizal@tourism.gov.ph

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

DENR Bldg., Visayas Avenue, Diliman, Quezon
City
www.denr.gov.ph

Director Eriberto Argete
Planning and Policy Studies Office
(632) 929.6626; 988.3367
bertargete@yahoo.com

DEPARTMENT OF LABOR AND EMPLOYMENT

DOLE Bldg., Muralla cor. Gen. Luna Sts.,
Intramuros, Manila
www.dole.gov.ph

Undersecretary Reydeluz D. Conferido
Employability of Workers and Competitiveness
of Enterprise Enhanced Cluster
(632) 527.3000 loc. 710, 715, 716
esrd_ble@yahoo.com

DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

The Columbia Tower, Ortigas Avenue
Mandaluyong City
www.dotc.gov.ph

Assistant Secretary Sherielysse R. Bonifacio
Planning and Finance
(632) 727.7960
sherielyssebonifacio@dotc.gov.ph

DEPARTMENT OF ENERGY

Energy Center, Merrit Road
Fort Bonifacio, Taguig City
www.doe.gov.ph

Undersecretary Loreta G. Ayson
(632) 840.2236; 840.2238
lgayson@doe.gov.ph



DEPARTMENT OF SCIENCE AND TECHNOLOGY

Gen. Santos Avenue, Bicutan, Taguig City
www.dost.gov.ph

Amelia P. Guevara
OIC-Head, Research and Development
(632) 837.2071 to 82; 837.2943; 837.2930
apguevara@dost.gov.ph

DEPARTMENT OF SCIENCE AND TECHNOLOGY - INFORMATION AND COMMUNICATIONS TECHNOLOGY OFFICE (ICTO)

www.icto.dost.gov.ph

Executive Director Louis Casambre
Louis.Casambre@icto.dost.gov.ph

BANGKO SENTRAL NG PILIPINAS

Mabini St. cor. P. Ocampo St.,
Malate, Manila
www.bsp.gov.ph

Deputy Governor Diwa Guinigundo
(632) 708.7701 loc. 2275; 306.2275
bspmanila@bsp.gov.ph/dguinigundo@bsp.gov.ph

BOARD OF INVESTMENTS

Industry & Investments Bldg.,
385 Sen. Gil J. Puyat Ave., Makati City
www.boi.gov.ph

OIC- Executive Director Ma. Corazon Halili-Dichosa
Investment Policy and Planning Service
(632) 897.6682
MCHDichosa@boi.gov.ph

Executive Director Efren V. Leano
Management Services Group
EVLeano@boi.gov.ph

BUREAU OF CUSTOMS

G/F OCOM Bldg., Port Area, Manila
www.customs.gov.ph

Commissioner Alberto D. Lina
(632) 705.6067
commissionerboc@gmail.com

PRESIDENTIAL MANAGEMENT STAFF

PMS Building, Arlegui Street, San Miguel
Manila 1005
www.pms.gov.ph

Assistant Secretary Ana Ma. A. Cadena
(632) 734.3971 to 86; 736.8791 to 93;
736.4531 to 34
epo@pms.gov.ph

TARIFF COMMISSION

5/F Philippine Heart Center MAB, East Ave.,
Diliman, Quezon City
www.tariffcommission.gov.ph

Commissioner Marilou P. Mendoza
(632) 929.1964; 926.8731; 926.7476
info@tariffcommission.gov.ph



<http://www.dti.gov.ph>

<http://www.boi.gov.ph>

<http://www.industrytradephilippines.com>

This publication is made possible by the generous support of the American People through the United States Agency for International Development (USAID). The contents are the sole responsibility of the Department of Trade and Industry and do not necessarily reflect the views of USAID or the United States Government.

